From:
 Anthony Miller

 To:
 Paul Argyropoulos

Cc: Madison Le; David Korotney; Vincent Camobreco; Aaron Levy; Robert Larson; John Hannon

Subject: Re: Fw: Biomass-based diesel follow-up questions

Date: 06/29/2011 10:29 AM

## (b) (5) (b) (5)

# ▼ Paul Argyropoulos---06/29/2011 10:28:15 AM---(b) (5)

Paul N.

Argyropoulos Senior Policy Advisor

From: Paul Argyropoulos/DC/USEPA/US To: Madison Le/DC/USEPA/US@EPA

Cc: David Korotney/AA/USEPA/US@EPA, Vincent Camobreco/DC/USEPA/US@EPA, Aaron Levy/DC/USEPA/US@EPA,

Robert Larson/AA/USEPA/US@EPA, John Hannon/DC/USEPA/US@EPA, Anthony Miller/DC/USEPA/US@EPA

Date: 06/29/2011 10:28 AM

Subject: Re: Fw: Biomass-based diesel follow-up questions

#### (b) (5)

Paul N. Argyropoulos Senior Policy Advisor Office of Transportation & Air Quality US Environmental Protection Agency Office Phone: 1-202-564-1123 Mobile: 202-577-9354

Email: argyropoulos.paul@epa.gov Website: www.epa.gov/otaq

## Madison Le---06/29/2011 10:20:17 AM---(b) (5)

From: Madison Le/DC/USEPA/US
To: David Korotney/AA/USEPA/US@EPA

Cc: Vincent Camobreco/DC/USEPA/US@EPA, Aaron Levy/DC/USEPA/US@EPA, Paul

Argyropoulos/DC/USEPA/US@EPA, Robert Larson/AA/USEPA/US@EPA, John Hannon/DC/USEPA/US@EPA, Anthony

Miller/DC/USEPA/US@EPA
Date: 06/29/2011 10:20 AM

Subject: Re: Fw: Biomass-based diesel follow-up questions

### (b) (5)

## David Korotney---06/29/2011 10:02:06 AM---(b) (5)

From: David Korotney/AA/USEPA/US

To: Vincent Camobreco/DC/USEPA/US@EPA
Cc: Aaron Levy/DC/USEPA/US@EPA, Madison Le/DC/USEPA/US@EPA, Paul Argyropoulos/DC/USEPA/US@EPA,

Robert Larson/AA/USEPA/US@EPA, John Hannon/DC/USEPA/US@EPA

Date: 06/29/2011 10:02 AM

Subject: Re: Fw: Biomass-based diesel follow-up questions

#### (b)(5)

## Roland Dubois---06/29/2011 09:44:37 AM-- (b) (5

From: Roland Dubois/DC/USEPA/US

To: Vincent Camobreco/DC/USEPA/US@EPA

Cc: Aaron Levy/DC/USEPA/US@EPA, David Korotney/AA/USEPA/US@EPA, Madison Le/DC/USEPA/US@EPA, Paul

Argyropoulos/DC/USEPA/US@EPA, Robert Larson/AA/USEPA/US@EPA, John Hannon/DC/USEPA/US@EPA

Date: 06/29/2011 09:44 AM



-----Vincent Camobreco/DC/USEPA/US wrote: -----

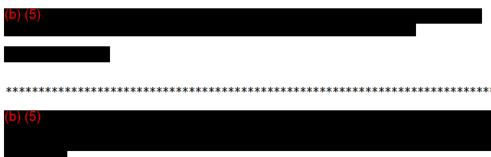
To: David Korotney/AA/USEPA/US@EPA From: Vincent Camobreco/DC/USEPA/US Date: 06/29/2011 08:40AM

Cc: Aaron Levy/DC/USEPA/US@EPA, Madison Le/DC/USEPA/US@EPA, Paul Argyropoulos/DC/USEPA/US@EPA, Robert Larson/AA/USEPA/US@EPA, Roland

Dubois/DC/USEPA/US@EPA

Subject: Re: Fw: Biomass-based diesel follow-up questions

OK,





Vincent Camphreco

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Vincent Camobreco
U.S. Environmental Protection Agency
Office of Transportation and Air Quality
Telephone: (202) 564 - 9043

yv+LAH8AAAAAAAASW5hY3RpdmUgaGlkZSBkZXRhaWxzIGZvciBEYXZpZCBLb3JvdG5leS0tLTA2 LzIzLzIwMTEgMDI6NDY6NDUgUE0tLS1XaGlsZSBJIGFncmVIIHdpdGggdGhlIGFuc3dlciwgSSdt IG5vdCBzdXJIIHdlIGNhbiBwbGFjZSBsaQ== David Korotney---06/23/2011 02:46:45 PM---(b) (5)

From: David Korotney/AA/USEPA/US To: Vincent Camobreco/DC/USEPA/US@EPA

Cc: Aaron Levy/DC/USEPA/US@EPA, Madison Le/DC/USEPA/US@EPA, Paul Argyropoulos/DC/USEPA/US@EPA, Robert Larson/AA/USEPA/US@EPA, Roland

Dubois/DC/USEPA/US@EPA Date: 06/23/2011 02:46 PM

Subject: Re: Fw: Biomass-based diesel follow-up questions



yv+LAH8AAAAAAAASW5hY3RpdmUgaGlkZSBkZXRhaWxzIGZvciBWaW5jZW50IENhbW9icmVjby0t LTA2LzIzLzIwMTEgMDI6MDg6MDkgUE0tLS1BbGwsIFdlIG1ldCBhYm91dCBhIG1vbnRoIGFnbyBub3cqdG8qZGlzY3VzcyB0aGUqcXVlc3Rpbw== Vincent Camobreco---06/23/2011 02:08:09 PM---(b)

From: Vincent Camobreco/DC/USEPA/US

To: Madison Le/DC/USEPA/US@EPA, Robert Larson/AA/USEPA/US@EPA, Aaron

Levy/DC/USEPA/US@EPA, Roland Dubois/DC/USEPA/US@EPA, David Korotney/AA/USEPA/US@EPA, Paul Argyropoulos/DC/USEPA/US@EPA

Date: 06/23/2011 02:08 PM

Subject: Fw: Biomass-based diesel follow-up questions

All,
(b) (5)
(5)

.....

### (b) (5)

Vincent Camobreco U.S. Environmental Protection Agency Office of Transportation and Air Quality Telephone: (202) 564 - 9043

---- Forwarded by Vincent Camobreco/DC/USEPA/US on 06/23/2011 10:43 AM -----

From: "Jennifer Owen" <<u>JMO@vnf.com></u>
To: Vincent Camobreco/DC/USEPA/US@EPA

Date: 05/10/2011 10:23 AM

Subject: Biomass-based diesel follow-up questions

#### Vince -

Again, thanks to you and your team for taking the time to meet with AltAirFuels last month. I have a couple of follow-up questions for you, specifically related to the possible need to do a petition for fats/greases into renewable jet fuel through a hydrotreating process. As we discussed when we met with you all, there seems to be some ambiguity in the RFS2 rulemaking on jet fuel. After our meeting, I went back and reviewed the regulations, as well as the proposed rule. It seems to me that a petition for jet fuel might be unnecessary, and I am hoping to get some feedback from you all.

First, the RFS2 regulations define biomass-based diesel as transportation fuel, heating oil or jet fuel. So, it seems like the appropriate D code is clearly 4. The preamble to the final rule notes that biodiesel, for the purposes of the RFS, includes "any diesel made from biomass feedstocks." 75 Fed. Reg. 14686. Second, the process for producing hydrotreated renewable jet fuel (HRJ) first produces a renewable diesel and then cracks that into a jet fuel. So, it seems like a producer would generate a RIN at the point that a renewable diesel is made from fats/greases using a hydrotreating process. The proposed rule seems to support that:

"For example, RINs generated for advanced biofuel or biomass-based diesel that could be used in automobiles would still be valid, and would not need to be retired, if the fuel producer instead sells the fuels for use in heating oil or jet fuel." 74 Fed. Reg. 24911.

"Under the RFS program, RINs operate in the role of credits, and RINs are generated when renewable fuel is produced rather than when it is blended. In most cases, however, renewable fuel producers do not know at the time of fuel production (and RIN generation) how their fuel will ultimately be used." 74 Fed. Reg. 24924.

The final rule further notes that "[f]rom a regulatory perspective, there is no difference between renewable fuels used for transportation purposes, versus heating oil and jet fuels." 75 Fed. Reg. 14687. As we discussed during our meeting, HRJ is a diesel (rather than gasoline) displacement - and indeed, could be used in automobiles (as well as generators or other engines). Given that the appropriate modeling is a reduction in GHGs from diesel, the process first produces a renewable diesel which is eligible to generate a RIN under an existing pathway, the fuel will be considered to be displacing diesel (which is already modeled) because jet fuel isn't an obligated fuel, and the rules define jet fuel to be a type of biomass-based diesel, it seems that a new petition just for HRJ is unnecessary.

I'd appreciate any thoughts you and your team might have on this - just informally, for now. I'm happy to come by for a meeting or jump on a phone call. If we need to file a petition, we're happy to do so. But, if we are able to move forward with fuel production without additional work on EPA's part, that seems to be the more efficient option for everyone.

Thanks,

Jennifer

Jennifer Owen Van Ness Feldman, P.C. 1050 Thomas Jefferson St., N.W. Washington, D.C. 20007 Phone: (202) 298-1983 Fax: (202) 338-2416

Email: jmo@vnf.com

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from his or her computer.

[attachment "jet fuel rins RD629.docx" deleted by David Korotney/AA/USEPA/US]